



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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November 23, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 4 TO AUTOMATED REMITTANCE
ADVICE AND EXPLANATION OF BENEFITS DATA SERVICES AGREEMENT
WITH ELECTRONIC DATA SYSTEMS CORPORATION
(All Districts) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director of Health Services, or his designee, to sign Amendment No. 4 (Exhibit I) to Automated Remittance Advice and Explanation of Benefits Data Services Agreement No. H-206370 with Electronic Data Systems Corporation, for the continued provision of financial data management services to all of the County health facilities, at an estimated cost of \$96,000, effective January 1, 2006 through December 31, 2007, with a provision for the Director of Health Services to extend the term of the agreement for up to six additional months through June 30, 2008, upon the mutual consent of County and Contractor.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

In approving this action, the Board is instructing the Director of Health Services (Director), or his designee, to sign Amendment No. 4 with Electronic Data Systems Corporation (EDS) effective January 1, 2006 through December 31, 2007, with a provision for the Director to extend the term of the agreement for up to six additional months through June 30, 2008, for the continued provision of financial data management services to all of the County health facilities, at an estimated cost of \$96,000, including the extension period.

The County has had long-standing agreements with EDS under which the firm provides critical Medi-Cal Remittance Advice, Explanation of Benefits, and Data (RA/EOB/Data) services for County health facilities.

The current agreement is slated to expire on December 31, 2005. The continued provision of these services is essential and integral to the Department of Health Services' (DHS or Department) revenue generation efforts and financial operations during the 24-month term and extension period.

FISCAL IMPACT/FINANCING:

The County will continue to reimburse EDS for each adjudicated line of claims at a fee of \$0.06 for individual provider claims and \$0.04 for multiple provider claims. EDS is authorized to increase the fees by the provision of a 30-day advance notice after the expiration of the initial contract term.

Reimbursement to EDS during the 24-month term and 6-month extension period (January 1, 2006 through June 30, 2008) remains unchanged and is estimated at \$96,000. The total maximum obligation (contract sum) is increased by \$96,000, from \$384,000 to \$480,000 (\$96,000 for the period July 2, 1996 through June 30, 1998; \$96,000 for the period July 1, 1998 through December 31, 2000; \$96,000 for the period January 1, 2001 through June 30, 2003; \$96,000 for the period July 1, 2003 through December 31, 2005; and \$96,000 for the period January 1, 2006 through June 30, 2008).

Funding is included in DHS' Fiscal Year 2005-06 Final Budget and will continue to be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

In April 1988, the State of California approved an exclusive agreement with EDS to act as the fiscal intermediary for processing claims from State Medi-Cal providers, including Los Angeles County. In September 1993, the State/EDS Agreement was renewed for four years, with provisions for three one-year automatic extensions. EDS is the only source for certain essential Medi-Cal data provided in hard copy or magnetic tape format; therefore, the original agreement was approved as a sole source agreement.

On April 4, 1988, the Purchasing Agent approved a Purchase Order agreement for EDS to provide DHS with Medi-Cal RA/EOB/Data services, in magnetic tape format, for EDS-adjudicated and suspended Medi-Cal claims for designated County health facilities.

On February 11, 1992, the Board approved an agreement with EDS to provide RA/EOB/Data services through February 10, 1993, with a County maximum obligation not to exceed \$96,000.

On May 24, 1994, the Board approved a renewal agreement with EDS, which superseded the 1992 agreement without interruption of services, for a term not to exceed two years, with a County maximum obligation of \$96,000.

On July 2, 1996, the Board approved a renewal (Contract No. H-206370) agreement with EDS, effective July 2, 1996 through June 30, 1998, with a County maximum obligation of \$96,000.

On June 16, 1998, the Board approved Amendment No. 1 with EDS to extend the term of the agreement, effective July 1, 1998 through June 30, 2000, with provisions for a six-month extension through December 31, 2000, and added an additional \$96,000 to the agreement. On December 19, 2000, the Board approved Amendment No. 2 with EDS to extend the term, effective January 1, 2001 through December 31, 2002, with provisions for a six-month extension through June 30, 2003, and added an additional maximum obligation of \$96,000 to the agreement.

On June 10, 2003, the Board approved Amendment No. 3 with EDS to extend the term, effective July 1, 2003 through June 30, 2005, with provisions for a six-month extension through December 31, 2005, and added an additional \$96,000 to the agreement.

The Department is now recommending Amendment No. 4 with EDS to extend the term of the agreement for an additional two years, effective January 1, 2006 through December 31, 2007, with an option for a 6-month extension through December 31, 2008, at a cost of \$96,000.

Contract monitoring functions are performed by facility staff, the Revenue Services Division and the DHS Audit and Compliance Division.

Amendment No. 4 includes updated Board-mandated provisions ("Health Insurance Portability and Accountability Act of 1996" and "Contractor Responsibility and Debarment").

The DHS System Redesign will not be impacted as a result of this action because financial data management services will continue to be required.

The current agreement may be terminated at any time by the County by giving at least thirty (30) days prior written notice to the other party.

Attachment A provides additional information. County Counsel has approved the attached Amendment No. 4 (Exhibit I) as to form.

CONTRACTING PROCESS:

The original agreement with EDS was approved as a sole source agreement. EDS has an exclusive agreement with the State of California to act as its fiscal intermediary for processing claims from State Medi-Cal providers, including Los Angeles County.

This amendment provides for an extension of the current sole source agreement. Therefore, the Department did not advertise the amendment on the Los Angeles County Online Web Site as a contracting opportunity because this is for the continued provision of services which the current contractor is uniquely qualified to perform.


IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of Amendment No. 4 with EDS will continue the provision of these financial data management services at the current level.

The Honorable Board of Supervisors
November 23, 2005
Page 4

When approved, the Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tom for", is written over the printed name.

Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:rw
BLETCD4040.RW

Attachments

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

SUMMARY OF AMENDMENT1. TYPE OF SERVICE:

Medi-Cal Electronic Remittance Advice/Explanation of Benefits and Data services.

2. AGENCY ADDRESS AND CONTACT PERSON:

Electronic Data Systems Corporation (EDS)
 3215 Prospect Park Drive
 Rancho Cordova, California 95670
 Attention: Dennis Dworman
 Telephone: (916) 636-1035

3. TERM OF AGREEMENT:

Amendment No. 4 to Agreement No. H-206370 will be effective January 1, 2006 through December 31, 2007, with provisions for the Director of Health Services to extend the term of the agreement for up to six additional months, through December 31, 2008, upon the mutual consent of County and Contractor.

4. FINANCIAL INFORMATION:

The County will reimburse EDS for each adjudicated line of claims at a fee of \$0.06 for individual provider claims and \$0.04 for multiple provider claims. EDS is authorized to increase the fees by the provision of a 30-day advance written notice after the expiration of the initial contract term. The total maximum obligation (contract sum) is increased by \$96,000, from \$384,000 to \$480,000.

07/02/96- 06/30/98	07/01/98- 12/31/00	01/01/01- 06/30/03	07/01/03- 12/31/05	01/01/06- 06/30/08	
Original Funding	Amendment No. 1	Amendment No. 2	Amendment No. 3	Amendment No. 4	Maximum Obligation
\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 480,000

5. RESPONSIBLE FOR MONITORING:

Lawrence Gatton, Chief, Revenue Services.

6. APPROVALS:

Revenue Services: Lawrence Gatton, Chief

Finance: Gary W. Wells, Director of Finance

Contracts and Grants: Cara O'Neill, Chief

County Counsel (approval as to form): Narbeh Bagdarsarian, Deputy County Counsel

Contract No. H-206370

AUTOMATED REMITTANCE ADVICE AND EXPLANATION OF
BENEFITS AND DATA SERVICES AGREEMENT

AMENDMENT NO. 4

THIS AMENDMENT is made and entered into this _____
day of _____, 2005,

by and between COUNTY OF LOS ANGELES (hereafter
"County"),
and ELECTRONIC DATA SYSTEMS CORPORATION
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled
"AUTOMATED REMITTANCE ADVICE AND EXPLANATION OF BENEFITS AND DATA
SERVICES AGREEMENT", dated July 2, 1996, and further identified
as County Agreement No. H-206370, and any amendments hereto
(hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend the
Agreement to extend its term 24-months or to June 30, 2008 and
make the changes described hereinafter; and

WHEREAS, said Agreement provides that changes may be made in
the form of a written amendment which is formally approved and
executed by the parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective January 1, 2006.

2. Paragraph 4, Term, of body of Agreement, shall be amended as follows:

"4. TERM:

A. The term of this Agreement, shall commence July 2, 1996 (hereafter "Effective Date") and shall continue in full force and effect through December 31, 2007 (hereafter "Initial Term"), unless sooner terminated, in whole or in part, as provided in this Agreement.

B. At the end of the Initial Term, Director may, upon mutual agreement in writing, extend the Agreement on a month-to-month basis for up to six (6) months following the Initial Term (hereafter "Extended Term") through June 30, 2008. All provisions in effect during the Initial Term of this Agreement, shall remain in effect during the Extended Term. If County and Contractor fail to mutually agree in writing to extend the Agreement term as of the expiration date of December 31, 2007, then the Agreement shall expire on such date.

C. During the Extended Term, Contractor shall be compensated, according to the same payment provisions and same rate(s), for automated remittance advice and explanation of benefits and data services, as specified in Exhibit A-3 (Statement of Work - Scope of Services)

and Exhibit B-3 (Fees and Maximum Payments) of this Agreement.

D. During the Extended Term, this Agreement may be cancelled or terminated at any time by either party without cause upon the giving of at least thirty (30) days' written notice to the other.

County may (also) suspend the performance of services hereunder in whole or in part, upon the giving of at least a thirty (30) day written notice to Contractor. County's notice shall set forth the extent of the suspension and the requirements for full restoration of the performance obligations."

3. Paragraph 7, Contract Sum, of body of Agreement, shall be amended as follows:

"7. CONTRACT SUM:

A. The Contract Sum of all charges authorized by COUNTY under this Agreement shall be the total monetary amount payable by COUNTY to CONTRACTOR for supplying Medi-Cal RA/EOB services specified under this Agreement. All work completed by CONTRACTOR must be approved in writing by COUNTY. If COUNTY does not approve work in writing, no payment shall be due to CONTRACTOR for that work.

B. The maximum Contract Sum for this Agreement, including all applicable taxes, authorized by COUNTY hereunder shall not exceed: (i) Ninety-Six Thousand

Dollars (\$96,000) for the first term of the Agreement (from July 2, 1996 through June 30, 1998); (ii) Ninety-Six Thousand Dollars (\$96,000) for the second term of the Agreement (from July 1, 1998 through December 31, 2000); (iii) Ninety-Six Thousand Dollars (\$96,000) for the third term of the Agreement (from January 1, 2001 through June 30, 2003); (iv) Ninety-Six Thousand Dollars (\$96,000) for the fourth term of the Agreement (from July 1, 2003 through December 31, 2005); and (v) Ninety-Six Thousand Dollars (\$96,000) for the fifth term of the Agreement (from January 1, 2006 through June 30, 2008).

C. The maximum Contract Sum for the entire Agreement inclusive of any and all fees, costs, expenses and applicable taxes shall not exceed Four Hundred Eighty Thousand Dollars (\$480,000).

Notwithstanding such limitation of funds, CONTRACTOR shall satisfactorily perform and complete all work specified in this Agreement."

4. That Paragraph 29, CONTRACTOR RESPONSIBILITY AND DEBARMENT, shall be revised in the Agreement to read as follows:

"29. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's

policy to conduct business only with responsible Contractors.

B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time not to exceed five (5) years but may exceed five (5) years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the County.

C. The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a

lack of business integrity or business honesty; or (4) made or submitted a false claim against the County or any other public entity.

D. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the

Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor

Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

I. These terms shall also apply to subcontractors of County Contractors."

5. That Paragraph 31, BUSINESS ASSOCIATE PROTECTED HEALTH INFORMATION DISCLOSURE AGREEMENT, shall be replaced with BUSINESS ASSOCIATE PROTECTED HEALTH INFORMATION AND/OR ELECTRONIC PROTECTED HEALTH INFORMATION in the Agreement to read as follows:

"31. BUSINESS ASSOCIATE PROTECTED HEALTH INFORMATION AND/OR ELECTRONIC PROTECTED HEALTH INFORMATION: The performance of Contractor's obligations under the Agreement could require Contractor's receipt of, or access to,

Protected Health Information and/or Electronic Protected Health Information, as such term is defined in Exhibit "F-1" (Contractor's Obligation as a Business Associate Under the Health Insurance Portability and Accountability Act of 1996). Contractor and County hereby agree to be bound by the terms and conditions of the Contractor's Obligation as a Business Associate Under the Health Insurance Portability and Accountability Act of 1996 (Exhibit F-1) (hereafter "Business Associate Services Agreement") by and between Contractor (referred to in Exhibit F-1 as "Business Associate") and County (referred to in Exhibit F-1 as "Covered Entity") for the term of this Agreement and as provided in the Business Associate Services Agreement."

6. That Exhibit A-2, Statement of Work, of the Agreement shall be replaced with new Exhibit A-3 attached hereto and incorporated herein by reference, effective on the date of this Amendment.

7. That Exhibit F, Business Associate Protected Health Information Disclosure Agreement, of Agreement shall be replaced with new Exhibit F-1, Contractor's Obligation as a Business Associate under the Health Insurance Portability and Accountability Act of 1996, attached hereto and incorporated herein by reference.

8. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

[illegible]

Director of Health Services, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

ELECTRONIC DATA SYSTEMS CORPORATION
Contractor

By _____
Signature

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
COUNTY COUNSEL

By Dennis A. Dworman
Printed Name

Title Executive Program Director
(AFFIX CORPORATE SEAL)

By _____
Deputy

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF HEALTH SERVICES

By _____
Cara O'Neill, Chief
Contracts and Grants

AMENDCD4041.RW
rw:11/01/2005

EXHIBIT A-3

STATEMENT OF WORK

FOR

ELECTRONIC REMITTANCE ADVICE DETAIL DATA SERVICES

EXHIBIT A-3

STATEMENT OF WORK

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EXHIBIT A-3

STATEMENT OF WORK

This Statement of Work sets forth below the electronic remittance advice detail data services to be provided by the CONTRACTOR in accordance with the terms and conditions pursuant to the Agreement.

1. SCOPE OF SERVICES: CONTRACTOR agrees to supply to COUNTY Remittance Advice Detail (i.e., Remittance Advice and/or Explanation of Benefits payment information) for CONTRACTOR adjudicated and suspended Medi-Cal claims for providers who have authorized COUNTY to receive such information. CONTRACTOR shall:

A. Ship such data to COUNTY at the address specified in the attached Electronic Remittance Advice Detail Enrollment form no later than five (5) working days following completion of each payment cycle (i.e., submission of check write data to the State of California).

B. Provide such data in accordance with CONTRACTOR's then current format described in CONTRACTOR's Remittance Advice Detail Services manual (or similar documentation). CONTRACTOR and COUNTY recognize that CONTRACTOR's data format may change from time to time as a result of State of California or CONTRACTOR requirements.

C. Provide such data on the computer media specified in Attachment A (Electronic Remittance Advice Detail Enrollment form) to this Exhibit A-3.

D. Rerun and provide to COUNTY any incorrect or unreadable data provided to COUNTY at no additional charge when the following conditions have been met:

(1) COUNTY notifies CONTRACTOR of receipt of incorrect or unreadable data within twenty-eight (28) calendar days of the original creation date, and

(2) CONTRACTOR testing confirms that the data is incorrect or unreadable.

2. COUNTY RESPONSIBILITIES: COUNTY will be responsible for performing the following:

A. Prior to submission by CONTRACTOR hereunder of Remittance Advice Detail data on any Medi-Cal provider, obtain from each such provider a completed Electronic Remittance Advice Detail Enrollment form (Attachment B to this Exhibit A-3) and forward, or have forwarded, the enrollment form to CONTRACTOR. CONTRACTOR will not furnish Remittance Advice Detail data for any provider unless and until a current Electronic Remittance Advice Detail Enrollment form is on file with CONTRACTOR.

B. Complete and submit to CONTRACTOR (i) a Computer Media Specification form (Attachment A to this Exhibit A-3) designating the media on which COUNTY requests receipt of Remittance Advice Detail data and (ii) a list of all provider numbers for whom completed Remittance Advice Detail Enrollment forms have been submitted to CONTRACTOR. Service

will not commence until after such information has been received by CONTRACTOR.

C. Not to provide the data supplied under this Agreement to any third party except the applicable providers for whom COUNTY is providing billing collection and/or reconciliation services. COUNTY acknowledges that Remittance Advice Detail data is confidential information of the State, CONTRACTOR, and/or applicable providers. This provision shall survive the expiration or termination of this Agreement.

D. Inspect and review all Remittance Advice Detail data provided by CONTRACTOR and reject all incorrect or unreadable data within twenty-eight (28) business days after receipt thereof. Failure to reject any such data shall constitute acceptance thereof.

EXHIBIT A-3
ATTACHMENT A

No. _____

**ELECTRONIC REMITTANCE ADVICE DETAIL (RAD)
SERVICES AGREEMENT**

Between

Electronic Data Systems Corporation ("EDS")
3215 Prospect Park Drive
Rancho Cordova, CA 95670

and

<u>County of Los Angeles - DHS</u>		
("Customer")		
<u>313 N. Figueroa Street, Room 527</u>		
(Address)		
<u>Los Angeles,</u>	<u>California</u>	<u>90012</u>
(City),	(State)	(Zip Code)

To provide Medi-Cal Remittance Advice Detail ("RAD") payment information in accordance with the terms and conditions set forth below.

1. **Scope of Service.** EDS agrees to supply to Customer RAD data for EDS adjudicated and suspended Medi-Cal claims for providers who have authorized Customer to receive such information. EDS will:
 - (a) Ship such data to Customer at the address specified in the attached Electronic Remittance Advice Detail Enrollment form no later than five (5) working days following completion of each payment cycle (i.e., submission of check write data to the State of California).
 - (b) Provide such data in accordance with EDS' then-current format described in the EDS Remittance Advice Detail Services Manual (or similar documentation). The parties recognize that the EDS data format may change from time to time as a result of State or EDS requirements.
 - (c) Provide such data on the computer media specified on the Electronic Remittance Advice Detail Enrollment form. If the magnetic tape option is selected, a charge of \$25.00 will be billed to Customer for each tape returned damaged or not returned to EDS within thirty (30) days of shipment by EDS to Customer.
 - (d) Begin providing service at such time is mutually agreed upon by both parties, but no earlier than ten (10) days after the effective date of this Agreement.
 - (e) Rerun unreadable media and provide to Customer at no additional charge when the following conditions have been met:
 - 1) Customer notifies EDS of receipt of unreadable media within twenty eight calendar days of the original creation date;
 - 2) The Customer returns the original media within five (5) business days of the recreation request; and
 - 3) EDS testing confirms that the media is damaged or unreadable.

- (f) Customer will pay a fee of \$125.00 for each rerun when one of the following conditions exists:
 - 1) The original cartridge file is not returned and received by EDS within five (5) business days of the recreation request, or
 - 2) The original cartridge file is tested by EDS and is determined to be readable by EDS.

2. **Customer Obligations.** Customer will:

- (a) Prior to submission by EDS hereunder of RAD data on any Medi-Cal provider, obtain from each such provider a completed Electronic Remittance Advice Enrollment form (provider release authorization) and forward, or have forwarded, the Electronic Remittance Advice Detail Enrollment form (provider release authorization) to EDS. EDS will not furnish RAD data for any provider unless and until a current Electronic Remittance Advice Detail Enrollment form is on file at EDS.
- (b) Complete and submit to EDS an Electronic Remittance Advice Detail Enrollment form designating the media on which Customer requests receipt of RAD data. Service will not commence until after such information has been received by EDS.
- (c) Not provide the data supplied under this Agreement to any third party except the applicable providers for whom Customer is providing billing collection and/or reconciliation services. Customer acknowledges that RAD data is the confidential information of the State, EDS, and/or applicable providers. This provision shall survive the expiration of this Agreement.
- (d) Inspect and review all RAD data provided by EDS and reject all unreadable data within twenty-eight (28) business days after receipt thereof. Failure to reject any such data shall constitute acceptance thereof.

3. **Term.** This Agreement shall begin on the date (the "effective date") this Agreement is last signed by an authorized representative of each party, and shall continue in effect for a period of one (1) year unless otherwise terminated as provided herein. Upon expiration of the initial term, this Agreement will automatically renew on a month-to-month basis. Notwithstanding the foregoing, either party may terminate this Agreement within thirty (30) days written notice to the other party.

4. **Fees.** During the term of this Agreement, Customer shall pay EDS as follows:

- (a) A one-time development and implementation fee of \$100.00 will be charged to new RAD customers. A monthly operations charge of \$0.04 for each Medi-Cal adjudicated claim line. EDS will give Customer a credit against the monthly charge set forth above in this paragraph 4 (a) in the amount of \$0.02 for each Medi-Cal adjudicated claim line submitted using computer media input criteria specified by EDS. Notwithstanding anything to the contrary however, Customer shall pay a minimum monthly operation charge of \$500.00.
- (b) A one-time administrative fee of: \$15.00 per provider number to add, change, or delete a provider number.
- (c) A late payment fee in the amount of \$10.00. If the late payment fee exceeds the interest rate allowed by law, such fee shall be reduced to the highest monthly amount allowed by applicable law.

- (d) A return check for insufficient funds fee in the amount of \$25.00.
 - (e) A rerun fee of \$125.00 per paragraphs 1 (f) above.
 - (f) Any other charges set forth in this Agreement.
 - (g) After the expiration of the initial term, EDS may change the prices for the services provided herein upon thirty (30) days written notice to Customer.
5. **Payment.** Customer shall pay EDS for services, invoiced hereunder within thirty (30) days following the date of EDS' invoice. If Customers account is past due, RAD data cartridge tape/IBBS will be held, until full-payment is posted by EDS.
6. **Taxes.** Federal, State and local taxes are not included in the fees set forth above. EDS shall add to the charges set forth herein, and Customer shall pay, all taxes, however designated, which are levied on this Agreement, or the products or services, excluding taxes based upon EDS' income.
7. **Warranty.** EDS agrees to furnish Customer with provider RAD data then-currently recorded and available in the EDS Medi-Cal production system. EDS makes no representation as to the accuracy such recorded and available data; and, except s otherwise provided in this paragraph (7), EDS HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
8. **Limitation of Liability.** EDS shall not be liable to Customer or any third party directly or through Customer for any claim of, or damage or injury suffered by, Customer or third party caused by EDS' delay in furnishing the data supplied hereunder.

Moreover, neither party shall be liable for any damage amounts representing indirect, consequential (such as loss of business or loss of profits), or punitive damages. Furthermore, in no event will EDS' liability to Customer for all events, acts or omissions hereunder exceed, in the aggregate during the term of this Agreement, the monthly amount invoiced to Customer hereunder during the four (4) months preceding the event(s) giving rise to such claim or loss. The Customer for any actions or inaction's concerning services or materials furnished by EDS under this contract, including erroneous data provided by EDS hereunder.

9. **Miscellaneous Provisions.**

- (a) Each party shall be excused from performance under this Agreement. For any period and to the extent that it is prevented from performing; in whole or in part, as a result of delays caused by the other party, the State, or an act of God, war, civil disturbance, court order, labor dispute, or other cause beyond its reasonable control.
- (b) Whenever under this Agreement one party is required or permitted to given notice to the other. Such notice shall be deemed given when delivered in hand when mailed by United States Mail, registered or certified, return receipt requested, postage prepaid, and addressed to the parties as set forth above in the identification of the contracting parties.
- (c) This Agreement including any Exhibits referred herein and attached hereto. Each of which is incorporated into this Agreement represents and entire Agreement between the parties with respect to the provision or RAD data. And there are no representations, understanding or agreements

relative to this Agreement which are not signed in writing by an authorized representative of the party against which such change, waiver or discharge is sought to be enforced.

ACCEPTED AND AGREED TO:

By: County of Los Angeles - DHS
Customer

Electronic Data Systems Corporation

Signature

Signature

Lawrence Gatton
Typed / Printed Name

Dennis Dworman
Typed / Printed Name

Chief, Revenue Services
Title

Account Manager
Title

Date

Date

Return Agreement To:

EDS Corporation
Attn: CMC Operations
3215 Prospect Park Drive
Rancho Cordova, California 95670
(916) 636-1060

MEDI-CAL

ELECTRONIC REMITTANCE ADVICE DETAIL (RAD) ENROLLMENT

(VENDOR)

EDS USE ONLY

Start Date: ____/____/____

Receiver ID: _____

- I. **TESTING:** ____ REQUIRED
 ____ NOT REQUIRED

II. DISTRIBUTION METHOD

 X 1. **MEDI-CAL INTERNET BULLETIN BOARD SYSTEM (DOS ASCII format only)**

Do you have a Windows compatible system with a modem, Microsoft Internet Explorer or Netscape Navigator, versions 4.X or higher, the ability to access the Internet through an Internet service Provider, and would like to download your RAD files from the Medi-Cal Internet Bulletin Board System?

- X YES (Go to Section III of this Exhibit)
____ NO (EDS only supports DOS ASCII format files and Browser version 4.X and higher. EDS does not provide connectivity to the Internet for ARDS customers. Your application will be rejected)

 2. **IBM 3480 CARTRIDGE TAPES, EBCDIC format** (Default values are enclosed in parenthesis, required values are indicated with an 'X'. Only one tape format may be selected)

Density	____ (6250)
Lrecl	____ (1227)
Blocking	____ (Variable Block)
Block Size	____ (32760)
Parity	____ (Odd)
Internal Media	____ (IBM) ____ None
Media	____ (IBM 3480 Cartridge)

 3. **IBM 3480 CARTRIDGE TAPES, ASCII format** (Default values are enclosed in parenthesis, required values are indicated with an 'X'. Only one tape format may be selected)

Density	____ (6250)
Lrecl	____ (1573)
Blocking	____ (Fixed Block)
Block Size	____ (31460)
Parity	____ (Odd)
Internal Media	____ (None)
Media	____ (IBM 3480 Cartridge)

III. MAILING / CONTACT

RAD ID Number: 833

INVOICES:

Contact Person Steve Molina

Contact Phone Number (213) 240-8419

Company Name County of Los Angeles - DHS

Company Address 313 N. Figueroa Street, Room 527

City Los Angeles State California Zip 90012

IV. FEES

During the term of this Agreement, Customer agrees to pay EDS as follows:

- (a) A rerun fee of \$125.00 for each rerun when one of the following conditions exist:
 - 1) The original cartridge tape is not returned and received by EDS within five (5) business days of the original recreation request, or
 - 2) The original cartridge tape is tested by EDS and determined to be readable.
- (b) A fee of \$25.00 will be charged to Billing Service/Provider for each cartridge tape that is returned damaged or not returned to EDS within thirty (30) days of shipment by EDS to Provider.
- (c) An administration fee of: \$15.00 to add, change, or delete each provider number. (Up to ten provider numbers added at time of enrollment at no charge)
- (d) A monthly operations charge of \$0.04 (4 cents) for each Medi-Cal adjudicated claim line. A credit will be given to the Customer in the amount of \$0.02 (2 cents) for each Medi-Cal adjudicated claim line using CMC. Customer shall pay a minimum monthly operations charge of \$500.00.
- (e) All other fees as specified within the Electronic Remittance Advice Detail Services Agreement, paragraph 4 (Fees).

PROVIDER RELEASE AUTHORIZATION

This release is submitted to Electronic Data Systems (EDS). An authorization to forward Medi-Cal Remittance Advice Detail (RAD) on computer media directly to the designated agent listed below and/or in Section III of the Electronic Remittance Advice Detail (RAD) Services Agreement, for the purposes of Medi-Cal billing, collections and/or reconciliation services.

ARDS / RAD Customer Number 833

Contact Person Steve Molina

Contact Phone Number (213) 240-8419

Company Name County of Los Angeles - DHS

Company Address 313 N. Figueroa Street, Room 527

City Los Angeles State California Zip 90012

I certify by signing this release that I am authorized to sign on behalf of the Provider specified, and to the best of my knowledge and belief the information furnished is correct. Furthermore, I agree to notify EDS, in writing, should any change to the information provided above occur. Please enter the Provider identification number(s) that wishes to receive electronic RAD records.

Note: 'NO' is the default value for receiving paper RAD and Medicare 'no-pay' crossover data records. By selecting 'NO' for paper RAD, the provider will not receive paper RAD from the State Controllers Office. If the provider wishes to continue to receive their paper RAD data, select option 'YES' below.

Provider ID Number:	Provider Name:	Authorized Signature:	Receive Paper RAD? ___(NO) ___ YES	Receive Medicare No-Pay Records? ___(NO) ___ YES
_____	_____	_____	___(NO) ___ YES	___(NO) ___ YES
_____	ON FILE	_____	___(NO) ___ YES	___(NO) ___ YES
_____	_____	_____	___(NO) ___ YES	___(NO) ___ YES
_____	_____	_____	___(NO) ___ YES	___(NO) ___ YES
_____	_____	_____	___(NO) ___ YES	___(NO) ___ YES
_____	_____	_____	___(NO) ___ YES	___(NO) ___ YES
_____	_____	_____	___(NO) ___ YES	___(NO) ___ YES
_____	_____	_____	___(NO) ___ YES	___(NO) ___ YES

Date: _____

Return Agreement To: EDS Corporation
Attn: CMC Operations
3215 Prospect Park Drive
Rancho Cordova, CA 95670
(916) 636-1060

Revised January 2000

ATTACHMENT B

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES

MEDICAL CENTERS – REHABILITATION CENTER - HOSPITAL

<u>ADDRESS</u>	<u>NAME</u>	<u>MEDI-CAL PROVIDER NUMBERS</u>
LAC-USC Medical Center 1200 N. State Street Los Angeles, CA 90033	Los Angeles County	HSW30373F ZZW30373F FHC60373F ZZW40373F ZZW60373F ZZW70373F
Harbor-UCLA Medical Ctr 1000 W. Carson Street Torrance, CA 90509	Los Angeles County	HSW30376F ZZW30376F FHC40376F ZZW40376F
LA CO Olive View-UCLA 14445 Olive View Drive Sylmar, CA 91342	Los Angeles County	HSW30040G ZZW30040G FHC40040G ZZW40040G
Martin Luther King, Jr. /Drew Medical Ctr 12021 S. Wilmington Ave Los Angeles, CA 90059	Los Angeles County	HSW30578F ZZW30578F FHC40578F ZZW40578F
Rancho Los Amigos National Rehab Ctr 7601 E. Imperial Hwy Downey, CA 90242	Los Angeles County	HSW32014F ZZW32014F FHC42014F ZZW42014F
High Desert Hosp 44900 N. 60th St. West Lancaster, CA 93534	Los Angeles County	HSW33004F ZZW33004F FHC43004F ZZW43004F LTC06046F

TOTAL: 27 MEDICAL CENTER, REHABILITATION CENTER, and HOSPITAL PROVIDER NUMBERS

ATTACHMENT B**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES****HEALTH CENTERS - COMP HEALTH CENTERS - JUVENILE COURT HEALTH SERVICES - PUBLIC HEALTH CLINICS - OUTPATIENT PHARMACIES**

<u>ADDRESS</u>	<u>NAME</u>	<u>MEDI-CAL PROVIDER NUMBERS</u>
Roybal Comprehensive Hlt 245 South Fetterly Avenue Los Angeles, CA 90022	Los Angeles County	ZZW41126F LAW41126F FHC41126F
El Monte Comprehensive 10953 Ramona Boulevard El Monte, CA 91731	Los Angeles County	ZZW16124F LAW16124F FHC16124F
Hudson Comprehensive Hlt 2829 South Grand Avenue Los Angeles, CA 90007	Los Angeles County	ZZW41124F LAW41124F FHC41124F
La Puente Subcenter 15930 Central Avenue La Puente, CA 91744	Los Angeles County	ZZW16100F FHC16100F
Mac Laren's Children Ctr 4024 North Durfee Road El Monte, CA 91732	Los Angeles County	ZZW16128F FHC16128F
San Fernando Juvenile HI 16350 Filbert Street Sylmar, CA 91342	Los Angeles County	ZZW16130F FHC00003F
Central JCHS Infirmary 1605 Eastlake Avenue Los Angeles, CA 90033	Los Angeles County	ZZW16008F FHC16008F
Padrinos JCHS Infirmary 7285 Quill Drive Downey, CA 90242	Los Padrinos Juvenile	ZZW16004F FHC16004F
Kirby JCHS Infirmary 1500 South McDonnell Avenue Los Angeles, CA 90022	Los Angeles County	ZZW16038F FHC16038F

ATTACHMENT B

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES

HEALTH CENTERS - COMP HEALTH CENTERS - JUVENILE COURT HEALTH
SERVICES - PUBLIC HEALTH CLINICS - OUTPATIENT PHARMACIES

<u>ADDRESS</u>	<u>NAME</u>	<u>MEDI-CAL PROVIDER NUMBERS</u>		
Long Beach Comprehensive 1333 Chestnut Avenue Long Beach, CA 90813	Los Angeles County	ZZW16126F	BCP00001F	FHC00002F
Bellflower Health Center 10005 East Flower Avenue Bellflower, CA 90706	Los Angeles County	ZZW16016F		FHC16016F
Wilmington Subcenter 1325 Broad Avenue Wilmington, CA 90744	Los Angeles County	ZZW16026F		FHC16026F
Humphrey Comprehensive 5850 South Main Street Los Angeles, CA 90003	Los Angeles County	ZZW11866F	LAW11866F	FHC11866F
Mid Valley Health Ctr 7515 Van Nuys Boulevard Van Nuys, CA 91405	Los Angeles County	ZZW16088F	LAW16088	FHC16088F
North Hollywood Health Ctr 5300 Tujunga Avenue North Hollywood, CA 91601	Los Angeles County	ZZW16070F	LAW16070F	FHC16070F
San Fernando Health Ctr 1212 Pico Street San Fernando, CA 91340	Los Angeles County	ZZW16080F	LAW16080F	FHC16080F
Sepulveda Hlth Ctr 16111 Plummer Street Sepulveda, CA 91343	Los Angeles County	ZZW16054F		FHC16054F
Tujunga Subcenter 7747 Foothill Boulevard Tujunga, CA 91042	Los Angeles County	ZZW16074F	LAW16074F	FHC16074F

ATTACHMENT B

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES

HEALTH CENTERS - COMP HEALTH CENTERS - JUVENILE COURT HEALTH SERVICES - PUBLIC HEALTH CLINICS - OUTPATIENT PHARMACIES

<u>ADDRESS</u>	<u>NAME</u>	<u>MEDI-CAL PROVIDER NUMBERS</u>		
Antelope Valley Hlth Ctr 335 Ste B E Avenue K-6 Lancaster, CA 93535	Los Angeles County	ZZW16082F	LAW16082F	FHC16082F
Lake LA Community Clinic 16921 Avenue O, Space G Palmdale, CA 93591	Los Angeles County	ZZW16012F		FHC16012F
Palmdale Primary Care 1529 East Palmdale Boulevard, #207 Palmdale, CA 93550	Los Angeles County	ZZW16040F		FHC16040F
Littlerock Community Cln 8201 Pearblossom Highway Littlerock, CA 93543	Los Angeles County			FHC70888F
High Desert Hospital 44900 N. 60th Street West Lancaster, CA 93536	Los Angeles County			FHC70994F
Central Health Center 241 North Figueroa Street Los Angeles, CA 90012	Los Angeles County	ZZW16000F		
Curtis Tucker Health Center 123 West Manchester Blvd. Inglewood, CA 90301	Los Angeles County	ZZW16028F		
Ruth Temple Health Ctr 3834 South Western Ave. Los Angeles, CA 90062	Los Angeles County	ZZW16014G		
Dollarhide Health Center 1108 North Oleander St. Compton, CA 90221	Los Angeles County			FHC70077F

ATTACHMENT B**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES****HEALTH CENTERS - COMP HEALTH CENTERS - JUVENILE COURT HEALTH SERVICES - PUBLIC HEALTH CLINICS - OUTPATIENT PHARMACIES**

<u>ADDRESS</u>	<u>NAME</u>	<u>MEDI-CAL PROVIDER NUMBERS</u>	
Glendale Health Ctr 501 North Glendale Avenue Glendale, CA 91206	Los Angeles County	ZZW16076F	FHC16076F
Hollywood-Wilshire Hlth 5205 Melrose Avenue Los Angeles, CA 90038	Los Angeles County	ZZW16010F	
Monrovia Health Center 330 West Maple Avenue Monrovia, CA 91016	Los Angeles County	ZZW16102F	
Pacoima Sub Center 13300 Van Nuys Boulevard Pacoima, CA 91331	Los Angeles County	ZZW16072F	
Pomona Health Center 750 South Park Avenue Pomona, CA 91766	Los Angeles County	ZZW16108F	
South Health Center 1522 East 102nd Street Los Angeles, CA 90002	Los Angeles County	ZZW16058F	
Torrance Health Center 2300 West Carson Street Torrance, CA 90501	Los Angeles County	ZZW16036F	
Whittier Health Center 7643 South Painter Avenue Whittier, CA 90602	Los Angeles County	ZZW16112F	
Burke Health Center 2509 Pico Boulevard Santa Monica, CA 90405	Los Angeles County	ZZW16042F	

TOTAL: 68 HEALTH CENTER, COMPREHENSIVE HEALTH CENTER, JUVENILE COURT HEALTH SERVICES, PUBLIC HEALTH, and OUTPATIENT PHARMACIES PROVIDER NUMBERS

GRAND TOTAL: 95 PROVIDER NUMBERS

CONTRACTOR'S OBLIGATION AS A BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

Under this Agreement, Contractor (also Business Associate) provides services to County (also Covered Entity) and Business Associate receives, has access to or creates Protected Health Information and/or Electronic Protected Health Information in order to provide those services ("Services Agreement");

Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated there under, including the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Parts 160 and 164 ("Privacy Regulations") and the Health Insurance Reform: Security Standards at 45 Code of Federal Regulations Parts 160, 162, and 164 ("Security Regulations");

The Privacy Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

Therefore, the parties agree as follows:

DEFINITIONS

- 1.1 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.
- 1.2 "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. § 160.103. Electronic Media means (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission. The term "Electronic Media" draws no distinction between internal and external data, at rest (that is, in storage) as well as during transmission.
- 1.3 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health

Information means protected health information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

- 1.4 "Individual" means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- 1.5 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity.
- 1.6 "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.
- 1.7 "Services" has the same meaning as in the Services Agreement.
- 1.8 "Use" or "Uses" mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations.
- 1.9 Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Regulations.

OBLIGATIONS OF BUSINESS ASSOCIATE

2.1 Permitted Uses and Disclosures of Protected Health Information. Business Associate:

- (a) Shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in Sections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 of this Agreement;
- (b) Shall Disclose Protected Health Information to Covered Entity upon request;
- (c) May, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:
 - (i) Use Protected Health Information; and
 - (ii) Disclose Protected Health Information if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose Protected Health Information for any other purpose.

2.2 Adequate Safeguards for Protected Health Information. Business Associate:

- (a) Warrants that it shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Agreement. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation's minimum necessary standard.
- (b) Warrants that it shall implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits in accordance with 45 C.F.R. § 164.314(a).

2.3 Reporting Non-Permitted Use or Disclosure. Business Associate shall report to Covered Entity each Use or Disclosure that is made by Business Associate, its employees, representatives, agents or subcontractors but is not specifically permitted by this Agreement. The initial report shall be made by telephone call to the Departmental Privacy Officer telephone number (800) 711-5366 within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure to the Chief Information Privacy Officer at:

Chief Information Privacy Officer
Kenneth Hahn Hall of Administration

500 West Temple Street, Suite 493
Los Angeles, CA 90012

- 2.4 Mitigation of Harmful Effect. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- 2.5 Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.
- 2.6 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.
- 2.7 Amendment of Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.
- 2.8 Accounting of Disclosures. Upon Covered Entity's request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or subcontractors.

[Optional, to be used when all Uses and Disclosures permitted in order to perform the Services will be for the Covered Entity's payment or health care operations activities: However, Business Associate is not required to provide an accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.]

Any accounting provided by Business Associate under this Section 2.8 shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Section 2.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Section 2.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

OBLIGATION OF COVERED ENTITY

- 3.1 Obligation of Covered Entity. Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

TERM AND TERMINATION

- 4.1 Term. The term of this Agreement shall be the same as the term of the Services Agreement. Business Associate's obligations under Sections 2.1 (as modified by Section 4.2), 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.
- 4.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in the Services Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
- (a) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
 - (b) Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
 - (c) If neither termination nor cure are feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.
- 4.3 Disposition of Protected Health Information Upon Termination or Expiration.
- (a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement and the Services Agreement, Business Associate

shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

- (b) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

MISCELLANEOUS

- 5.1 No Third Party Beneficiaries. Nothing in this Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 5.2 Use of Subcontractors and Agents. Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Agreement.
- 5.3 Relationship to Services Agreement Provisions. In the event that a provision of this Agreement is contrary to a provision of the Services Agreement, the provision of this Agreement shall control. Otherwise, this Agreement shall be construed under, and in accordance with, the terms of the Services Agreement.
- 5.4 Regulatory References. A reference in this Agreement to a section in the Privacy or Security Regulations means the section as in effect or as amended.
- 5.5 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.
- 5.6 Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations.